

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2006-392-WS - ORDER NO. 2007-93
FEBRUARY 12, 2007

IN RE:	Application of Carolina Water Service, Inc.)	ORDER APPROVING
	for Approval of a Contract with Steve Yager)	CONTRACT TO SERVE
	to Serve Phase Four of Heron Cove)	PHASE FOUR OF
	Subdivision.)	HERON COVE
)	SUBDIVISION

This matter comes before the Public Service Commission of South Carolina (“Commission”) on the Application of Carolina Water Service, Inc. (“CWS” or “Applicant”) for approval of a contract with Heron Cove Subdivision developer Steve Yager (“Developer”). The Applicant’s River Hills System currently serves the existing phases of the Heron Cove Subdivision (“Subdivision”). Pursuant to this agreement, CWS additionally proposes to serve Phase 4 of the development, which will consist of approximately twenty (20) additional single family residences. The Agreement provides, *inter alia*, that Developer will construct all of the necessary water and sewer facilities required to connect the proposed development to CWS’ River Hills System, acquire all necessary easements and rights-of-way, and convey such Facilities and Easements to Applicant.

Performance of the Agreement is conditioned upon its approval by this Commission. According to the Application, the proposed development is within the Company’s authorized service area in York County and the area franchised to CWS by

York County. No other public or governmental utility is currently authorized to serve the proposed development.

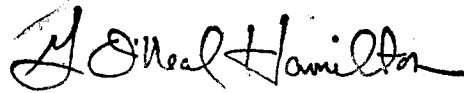
Pursuant to the Agreement, Applicant has agreed to reserve adequate utility capacity for up to twenty (20) water and wastewater connections located within the Property, for a period of three (3) years from such time as the facilities have been formally accepted by CWS. After that time, CWS shall not be obligated to reserve capacity for which no capacity fees have been received. CWS submits that this provision is warranted and in the public interest as it ensures that the developer cannot warehouse capacity such that other development may be discouraged by a potential lack of available capacity. Further, the terms of this contract allow the utility to adequately engage in planning for future operations.

The Office of Regulatory Staff (ORS) does not oppose the Application. The location of the development is within the existing service area of CWS. Capacity is not an issue in this matter.

We therefore approve the Application and the contract. The proposed development to be served is in the service territory of CWS, and no other public or governmental utility is currently authorized to serve the proposed development.

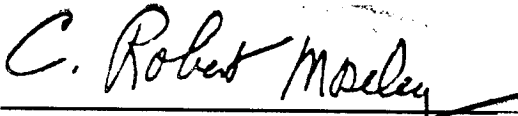
This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



G. O'Neal Hamilton, Chairman

ATTEST:



C. Robert Moseley, Vice Chairman